

RESPECT

OFFICIAL PUBLICATION OF THE ILLINOIS LICENSED BEVERAGE ASSOCIATION

Issue No. 3

Summer 2000



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RESPECT

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OFFICIAL PUBLICATION OF THE ILLINOIS LICENSED BEVERAGE ASSOCIATION
Since 1880: The Oldest Retail Liquor Association in the USA

The Illinois Licensed Beverage Association (ILBA) is the not-for-profit trade association of the retail liquor industry in Illinois. Organized in 1880, the ILBA is the oldest retail liquor trade association in the country. Over 2,000 retail liquor establishments are members of the ILBA. Members include taverns, bars, liquor stores, restaurants, bowling alleys, golf courses, fraternal clubs and hotels.

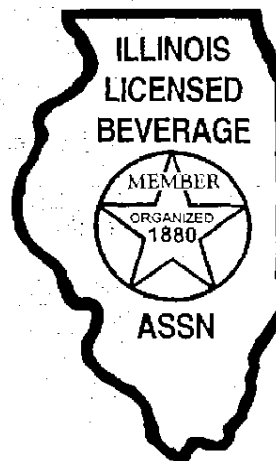
Illinois Licensed Beverage Association
1127 S. Second Street
Springfield, Illinois 62704
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Toll-Free: (800) 336-4752
Fax: (217) 523-3242
Web Site: www.ILBA.net

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Steve Riedl	<i>Executive Director</i>
Eric Meyer	<i>Executive Vice-President</i>
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Cover photo: Funky Buddha Lounge in Chicago, Illinois.

These enterprises have invested in the future of the Illinois retail liquor industry. By doing so, they have earned the status of preferred suppliers for all Illinois liquor retailers. Please remember this when determining who to conduct business with for your establishment.

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Illinois Casualty Company
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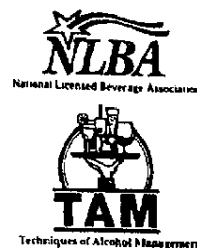
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Associated Beer Distributors of Illinois



I.L.B.A.
ILLINOIS LICENSED BEVERAGE ASSOCIATION

1127 South Second Street • Springfield, Illinois 62704
Telephone (217) 523-3232 • (800) 336-4752 • FAX (217) 523-3242



Dear Fellow Proprietor:

My tenure as President of the Illinois Licensed Beverage Association is coming to a close. Thank you for allowing me to serve you the last four years. I am amazed when I reflect on the progress we have made in this short time period. The ILBA has evolved into one of the premier trade associations in Illinois. This success is primarily attributable to our decision to hire a top-notch executive director and lobbying firm.

Steve Riedl, ILBA Executive Director, has worked tirelessly to establish the best benefits package available to liquor retailers in the nation. ILBA members are saving thousands of dollars on dram shop insurance, property & casualty insurance, credit card processing, ATM machines, security systems, music licensing, pay phones, air-cleaning & filtration systems, web site development & hosting, office and general supplies—and new discount programs are in the negotiation stage.

Dorgan-McPike & Associates, the ILBA lobbying firm, is one of the most influential and powerful lobbying firms in Illinois. Jack Dorgan is the former Executive Director of the Illinois Liquor Control Commission, and Jim McPike is the former Majority Leader of the Illinois House of Representatives (Jim served 18 years in the House, 12 of those as Majority Leader). Read about Jim and Jack's successes in the Legislative Report in this publication.

The ILBA adjudicates problems for member businesses with distributors, the Illinois Liquor Control Commission, the Illinois Department of Revenue, and any other entity that our people require assistance with. Additionally the ILBA serves as a resource for businesses needing assistance understanding the laws and regulations governing our industry, obtaining a liquor license, and determining ways to maximize profit potential. ILBA members take comfort knowing help is a phone call away.

Again, thank you for the privilege of serving as your President.

Sincerely,

Dennis Cooper
ILBA President

Respect

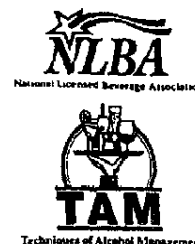
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1127 South Second Street • Springfield, Illinois 62704
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Dear Proprietor/Manager:

The passage of the Wine & Spirits Industry Fair Dealing Act (commonly referred to as the Wirtz law or the Monopoly Protection Act) and the liquor tax increase have had a significant negative impact on beverage alcohol sales in Illinois. Spirits took the hardest hit. This is logical, as spirits prices have continually escalated since the passage of the Wine & Spirits Industry Fair Dealing Act. Beer did experience a jump last summer due to the tax increase.

Spirits sales volume in Illinois is down 5.41 percent since January 1, 2000. Compare this to national spirits sales for the same period, which are up 5.23 percent. Assuming Illinois would follow the national trend, absent the Wine & Spirits Industry Fair Dealing Act and the tax increase—Illinois volume is actually over 10 percent this year!

We have a great deal of momentum to repeal the Wine & Spirits Industry Fair Dealing Act; however it is highly unlikely we can get the tax increase repealed. Therefore, we should all focus our efforts on repealing the Wine & Spirits Industry Fair Dealing Act. Should this law stay on the books, see no end to the vicious cycle of spirits and wine price increases retailers are being socked with.

Please telephone or make a personal visit to your state senator and state representative. Encourage your employees and customers to do the same. Your message is a simple one:

The Wine & Spirits Industry Fair Dealing Act has caused a vicious cycle of price increases that hurts small businesspersons and consumers—those least able to afford it—while lining the pockets of big business. Please repeal the Wine & Spirits Industry Fair Dealing Act.

You can have a tremendous impact on the legislative process in Illinois. All it takes is a simple phone call or visit with your legislators. Remember, this is an election year...

Please call me if you need any further information on this critical issue. Thank you for helping the ILBA protect your business.

Sincerely,

Steve Riedl
Executive Director

Funky Buddha Lounge

Customers Embrace 'The Buddha'

CHICAGO—The Funky Buddha Lounge, located at 728 W. Grand (just east of the intersection of Grand, Milwaukee and Halsted), is always on the cutting edge of the nightclub scene in Chicago. Mark Klemen, owner and proprietor, is firmly committed to constant evolution of 'The Buddha'.

One of the last independent nightclubs in Chicago, 'The Buddha' has one of the strongest and most loyal followings in the city. The entire establishment has a living room atmosphere with an amazing party happening. You won't find a cattle call mentality here. Staff greets and services every customer as if they were entertaining in their own home. Alex Lohr is the general manager of 'The Buddha'. She works tirelessly to ensure every customer feels special and has a great time.

It is worth the visit just to behold the unique eclectic decor of furniture, fixtures and tapestries. Klemen just completed a months long remodeling project on the bathrooms that you have to see to believe. 'We do everything the Buddha way' is Klemen's credo.

Klemen set out to create the most unique and friendly nightclub in the city. Buddha customers testify he has achieved his dream. "From day one, I promoted diversity—actively courting young, old, black, white, Hispanic, Asian—everyone is welcome to enjoy the best music and DJ's in Chicago," Klemen proudly states. "The Buddha DJ's are known for their eclectic diversity, and their depth and breadth of musical knowledge," according to Klemen. The Chicago Tribune anointed Joe Bryll "Chicago's most original DJ." Bryll is Promotions Manager and early DJ at the Buddha.

The Funky Buddha Lounge is open Monday through Friday from 9 PM to 2 AM and Saturday from 9 PM to 3 AM. Vince Adams is the Thursday DJ; accompanied by the Full Moon Dance African percussion ensemble, Thomas Johnson (a.k.a. DJ 33 1/3) is the Friday DJ; and Jesse De LaPenia DJ's on Saturday.

Opened on May 25, 1996, the Funky Buddha Lounge was the first nightclub to establish a no smoking room; as well as becoming the first Honeywell 'Clean-Air Certified' nightclub in Chicago. Klemen's goal was to strike the right balance where smokers and non-smokers can enjoy themselves. Creation of a non-smoking room and installation of air-cleaning machines proved to be the perfect combination. Customers rave about the clean air, no smoky haze or odor, and the remarkably clean furniture, tapestries, fixtures and draperies.

"Staff were the first to notice, particularly the women. They were thrilled their hair and clothes didn't smell at the end of the night," stated Klemen. "Most of the original staff still work at Buddha. This is remarkable at a time of high turnover in our industry."

Call (312) 666-1695 for information on Buddha happenings. Call (312) 666-4057 to book corporate and private parties at 'The Buddha'.

Rantings of a 'MADD-Man'

Brad Fralick, Executive Director of Mothers against Drunk Driving of Illinois

Yes, you read it right. Mothers Against Drunk Driving... has the underworld frozen over? Have pigs taken flight? What in the world is going on? The Illinois Licensed Beverage Association printing the words of an organization like MADD? Isn't MADD our sworn enemy?

To some in your industry, MADD is a sworn enemy. They consider it a neo-prohibitionist organization. This is both unfortunate and true. MADD is not about getting rid of alcohol. Our mission statement is very clear: "We are committed to stopping drunk driving, assisting the victims of this violent crime and preventing underage drinking." That's all. Nothing else.

If you look closely at that mission statement, the first and third clauses are also positions your organization has taken. Believe it or not, our organizations have been working together to address these issues. Together we have passed legislation making it harder for teens to order alcohol over the Internet. We worked together to lobby the Illinois Gaming Board to limit the hours of alcohol sales on gaming riverboats.

Does this mean we agree on all issues? Of course not, no two organizations do. You need to look no further than the "Wirtz Bill" to see that even within the same industry there are differences of opinion. Our differences do not change the areas where it is in our organizations' mutual best interest to move forward. Repeat drunk drivers are a case in point. From your perspective, these offenders can be a nightmare to the industry's reputation with the general public, not to mention these people cause Dram Shop liability rates to skyrocket. From our perspective, these people account for 25% of the total alcohol-related highway fatalities. There is no good reason we can't work together to address the actions of these offenders.

OR... we can spend our time attacking each other, burning up valuable time and dollars—all because someone decided we should hate each other. In choosing our courses, the ILBA and the MADD are in the same boat—as member/donor funded organizations, we must both decide: "Which is the more productive use of our resources?"

THE HEALTH BENEFITS OF MODERATE DRINKING

- One drink per day for women and two drinks per day for men may reduce the risk of Alzheimer's disease, according to Boston University researchers.
- A multitude of studies has shown that moderate drinking may reduce the risk of heart disease by 50 percent for both men and women. These studies evolved from the "French Paradox" in the early 1990's that showed the French have a low risk of heart disease, even though they have a high-fat diet.
- Many studies show that moderate alcohol consumption may prolong life and improve overall health.
- According to the American Heart Association, moderate alcohol consumption increases HDL cholesterol levels in the bloodstream. HDL is known as the good cholesterol because it removes the fatty plaque from artery walls. The Association further states that moderate alcohol consumption may also prevent clots from forming that may block arteries.
- The New England Journal of Medicine published a study showing light to moderate alcohol consumption reduces the risk of overall stroke by more than 20 percent.
- Stanford University research (through a study of rats) showed consumption of two drinks reduced the damage caused by a heart attack by 70 percent.
- Brewing Research International claims beer is high in potassium and low in sodium—the right balance for low blood pressure. The studies further show that beer is low in calcium and rich in magnesium, protecting against gall stone and kidney stone formation.
- An American Medical Association study showed that diabetics who consumed one or two drinks a day were healthier than non-drinkers were.
- The Framingham Heart Study suggests moderate alcohol consumption has beneficial effects on cognitive test performance. Women who drank two to four drinks a day showed superior performance when compared to non-drinkers. Men showed similar, but less pronounced results.
- According to Brewing Research International, red wine and beer contain antioxidants; therefore it is reasonable to consider moderate consumption of these beverages as a positive contribution to a healthy diet.

Enhance Employee Health Benefits with KidCare

A Health Insurance Program for Children from the State of Illinois

KidCare offers health care coverage to children of working parents by assisting in paying premiums of employer sponsored or private insurance plans. KidCare also provides coverage under a state-administered medical plan offered at no or low cost to children and pregnant women who are not covered under any health care plan. Eligibility depends on family income level. For example, a family of four with an annual income of \$30,895 qualifies for the program. Expenses, such as day care, are deductible when determining annual family income—therefore, the family income level can be higher and the family can still qualify.

Employees receive a monthly check (up to \$75 per month) from the KidCare program reimbursing all or some of the premiums required for dependent coverage— if the plan covers dependent doctor and hospital visits. If an employer plan does not offer dependent coverage or if the employee's dependents are not enrolled, income eligible employees can enroll in the state-administered plan. There are no exclusions for pre-existing conditions, chronic illnesses or disabilities.



State-Administered KidCare Plans:

- Assist:* Will pay for your employees' children's health care with no co-pays or premiums.
- Share:* Will pay for employee's children's health care and employee will share in the cost. There is a low co-pay each time the child visits a doctor, clinic, or hospital; or gets a prescription filled. However, no co-pay are required for immunizations and well-child care.
- Premium:* If your employee has a greater ability to afford health insurance, a low premium and co-pays on doctor, clinic, and hospital visits as well as prescriptions must be paid. Immunizations and well-child care have no co-pays.
- Moms & Babies:* Healthcare is covered throughout pregnancy and the first year of the baby's life— including prenatal visits, delivery services, well-baby care and immunizations with no co-pays or premiums.

Call the KidCare Employer Hotline to obtain an application: 1-877-648-8713

ILBA MEMBER BENEFITS

BMI

20% discount for ILBA members on music licensing agreement.

Dram Shop Insurance

ILBA members eligible for up to 20% off Illinois Casualty Company's (ICC) standard liquor liability insurance rates. Illinois Casualty, an A+ rated company, offers the most comprehensive coverage available. Common law coverage at no additional cost. No assault and battery exclusion. No annual aggregate limit. Limits up to \$10,000,000 available. Defense costs in addition to limits of insurance. Aggressive claims management. ICC has proudly served our industry for 50 years.

Property, Casualty & Workers Comp Insurance

In-depth coverage at great rates from Society Insurance, an A+ rated company. Society Insurance specializes in the hospitality Industry. ILBA members receive the following additional coverages at no extra charge: Un-scheduled outbuildings (\$1,000), Food contamination (\$15,000), Refrigerated products (\$2,500), Computer coverage (\$2,500), Watercraft (\$5,000), Crime (\$5,000), Fine Arts (\$10,000), Guest's personal property (\$10,000), Accounts receivable (\$15,000), Valuable papers (\$15,000).

Air-Cleaning Systems

20% discount on the complete line of Honeywell products from Windy City Air. First year ILBA membership paid with the purchase of any commercial equipment—new ILBA members only.

ATM Machines

ILBA members are exclusively eligible to receive 90% of all transaction fees charged. Top quality ATM machines from Credit Card Center. Credit Card Centers provides rebates to ILBA members that virtually cover the lease cost (\$269/month lease— \$264/month guaranteed rebates).

Credit Card Processing

ILBA members get a discount rate of 1.48% with a 20-cent transaction fee from Card Service International—the largest credit card processing company in the nation. This low rate will save you considerable money from the higher rate you presently pay. Use your existing equipment or lease new equipment at discounted prices.

Pay Phones

ILBA members receive 35% commission from Illinois Pay Phone Systems. Phones are free to qualified establishments. Those that don't qualify for a free phone (based on volume), receive their phone at a very competitive rate. Free installation/service on state-of-the-art equipment.

ADT Security Systems

Substantially discounted commercial & residential systems for ILBA members. Complete customization capabilities.

Office Products

20% - 80% discounts for ILBA members on over 24,000 items—with next day free delivery. No minimum order requirement. You also save time and money by not having to go to the store or send your staff.

Web Site

Advertinet, Inc. custom designs and hosts web sites for ILBA members for \$100 plus competitive monthly rates. Post special events, menus, tournaments—the possibilities are endless. Great for customer attraction & retention. Visit the ILBA web site designed by Advertinet: www.ilba.net.

National Bar & Restaurant Management Association

ILBA members can join the industry's fastest growing national association for only \$30-70% off the regular price. Membership includes free subscription to Nightclub & Bar magazine, discounts on educational sessions at Nightclub & Bar shows, members-only social events at Nightclub & Bar shows, and the nation's only Certificate of Management Program.

PUT HUNDREDS OF DOLLARS IN EXTRA INCOME IN YOUR CASH REGISTER EVERY MONTH!!!

Over half of the \$\$\$ taken out of ATM's is spent in the nightclubs, taverns and restaurants where the ATM's are located!

ILBA MEMBERS ARE EXCLUSIVELY ELIGIBLE FOR THE BEST ATM MACHINE LEASE OFFER BY CREDIT CARD CENTER—THE LARGEST ATM LEASING COMPANY IN THE USA

- **Guaranteed in writing** that you will receive **\$114 per month** advertising revenue—on top of transaction fee commissions.
- **Guaranteed in writing** that you will receive **\$150 commission per month**—even if your ATM is not used!
- **Guaranteed in writing** that you will receive **90% of the ATM transaction fee**; minimum charge is \$1.50—you receive \$1.35 commission on this fee! You can set the fee higher to earn more money.
- Your lease rate is a low \$269 plus tax per month. You are **guaranteed a minimum payback of \$264 per month—and your lease is tax deductible!**
- **Accepts all** ATM cards, debit cards, credit cards and check-cashing cards.
- **Service is free** forever, with same-day service.
- **Free** receipt paper forever.
- **Free** lighted sign, banner, and a sign for the top of the ATM machine.
- If you already have an ATM machine and desire to lease thru this program, **Credit Card Center may buy out your current lease!**

More Specifics on the Program

1. The dimensions of the ATM machine are: width-18", height-58", deep-24"
2. Many major corporations (i.e. fast food, soft drink, etc.) advertise on the ATM machine.
3. You are responsible for the phone line installation and line charges. When a card is swiped, the machine automatically dials a toll-free 800 number (paid by the bank or credit card company). You only pay the monthly line charge.
4. A standard 110-volt electrical outlet is required for the ATM machine.
5. 60 month lease on a high quality ATM machine valued at over \$12,000 and a 10% buy out at the end of the lease.
6. The ATM machine is professionally installed for free, or moved for free anytime you want to relocate it.
7. You are responsible for stocking the ATM machine with \$20 bills. Stocking is very simple—pull out the tray, load and put back the tray.
8. The money taken out of your ATM is wired into your account by the Federal Reserve within 24 hours.
9. The ATM machine itself is covered by general liability insurance.
10. The bank assumes all risk for stolen cards or improper use—you are not liable.
11. The money in the ATM machine is FDIC insured by the Federal Government.

FOR MORE INFORMATION, OR TO SET AN APPOINTMENT, PLEASE CALL MARK BALLOTTI AT 815-244-1121 TODAY!

CCC – CREDIT CARD CENTER, 1041 S. ROUTE 83, ELMHURST, IL 60126

Nightclub & Bar Offers Membership Discounts **National Bar & Restaurant Management Association**

The National Bar & Restaurant Management Association (NBRMA), the fastest growing national association in our industry, is dedicated to educational and networking opportunities for members. Membership provides a wealth of benefits including a free subscription to the Nightclub & Bar or Restaurant Marketing monthly magazines, discounts to the fabulous Nightclub & Bar Shows (including the Midwest Show at the Hyatt Regency in Chicago November 6-8), and much more.

ILBA members can join for a limited time for only \$30. This is approximately 1/3 the \$98 regular rate! NBRMA membership provides an opportunity for professionals in the food and beverage industry to earn a Certificate of Management, network with other professionals and attend premier national and regional Conventions/Trade Shows that explode with excitement and profitable new ideas. NBRMA members are invited to members-only social events and VIP lounges at these shows.

NBRMA members can also earn certificates in Food & Beverage Management, Marketing/Promotions and Bar Management. Bi-monthly newsletters offer operational tips, marketing and promotions ideas and inform members of the latest industry news. Certificate courses are taught by recognized industry leaders at the Food & Beverage Shows, the Nightclub & Bar/Beverage Retailer Shows and at regional seminars.

The certificate program provides a unique opportunity to explore new ideas, improve the efficiency of your workforce, and discover ways to increase profit margins. Simply put, successful bar and restaurant operators understand that learning is leverage. The NBRMA offers a lively and focused learning experience for a lifetime of leadership and profitability.

This ILBA membership discount offer is for a limited time. ILBA members are urged to call 1-800-247-3881 today or access the NBRMA on the Internet at www.bar-restaurant.com.

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- National Speakers share practical tips on the hottest promotions and latest techniques for holding down costs and increasing profits!
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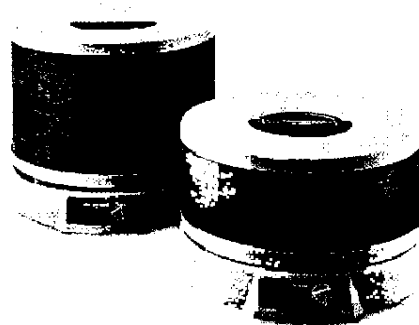
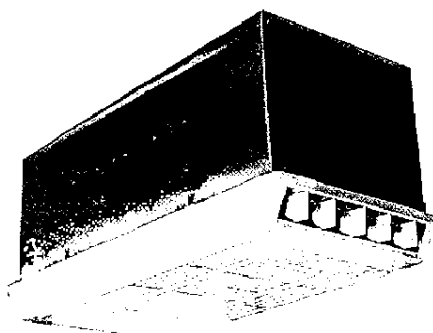
Windy City Air is a factory authorized full-service distributor of Honeywell products, including:

- High-efficiency air cleaners to handle tobacco, food, gasses, bacteria and other odors—cost effective alternative to exhausting air and re-heating or cooling outside air. New photo catalytic and ultra violet technology for molecular germ elimination. Equipment pays for itself in energy savings alone!
- Car, van and truck air purification units
- Special equipment designed for low-ceiling areas
- Portable cooling units for sale or rent
- In-duct air-cleaning systems
- Rent an Ozone O₃ generator machine to kill mold and noxious odors in basements & storage areas. Ideal for establishments that have experienced fire or flood damage.
- Electronic surge protection for computers, electronic and restaurant equipment
- Air purification for health care (i.e. post-surgery, asthma, allergies)

⇒ *Equipment rental available for special parties* ⇐

First year ILBA membership paid with the purchase of any commercial equipment—new ILBA members only. ILBA special lease-to-own as low as \$55/month! Offices in Chicago, Springfield, Rockford, Edwardsville, & Aurora.

ILBA MEMBER ONLY SPECIAL—20% DISCOUNT ON ALL WINDY CITY AIR PRODUCTS




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YOUR BOTTOM LINE STARTS WITH YOUR OVER HEAD.



It's simple. When non-smokers and smokers alike are comfortable in your establishment, customer satisfaction can increase and so can your revenues. This is *Options*, the initiative from Philip Morris USA that makes it easier for you to make smart, cost-effective choices in improving air quality within your business. *Options* provides you with the resources and input to help you make smart decisions for improving your business.

Call now to find out more about *Options*. Opportunity is in the air.

 **Options**
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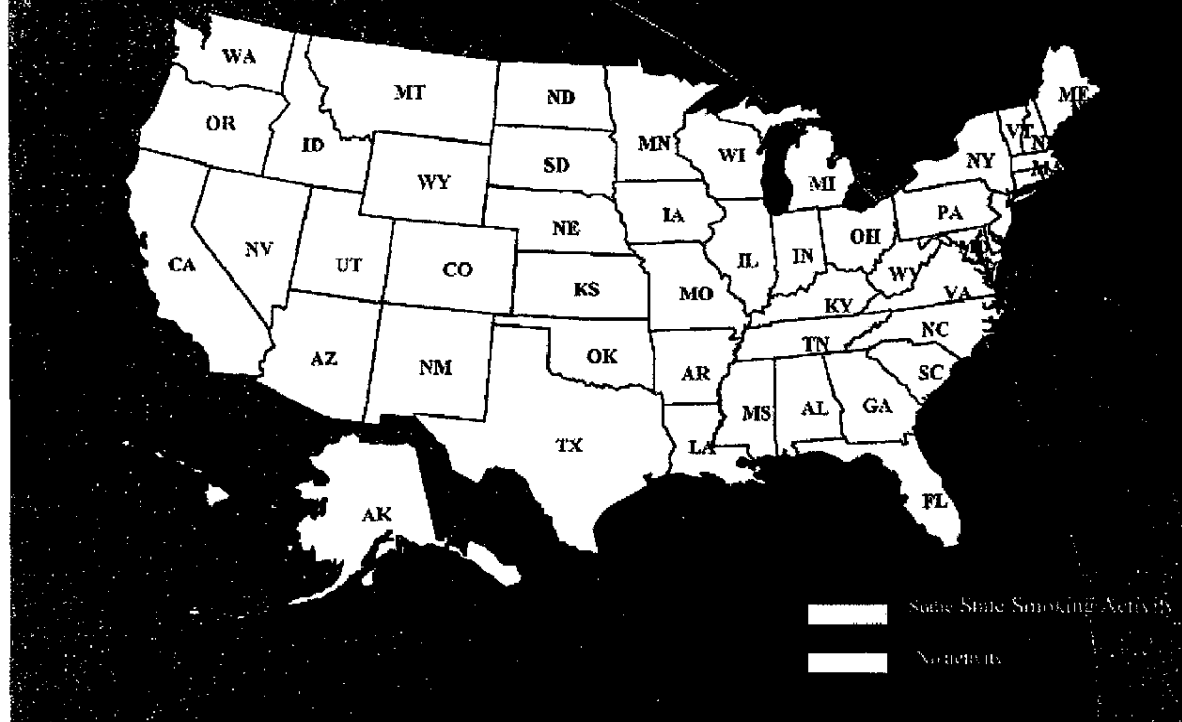
EXPAND YOUR COMFORT ZONE

Call 1-800-643-7040 for your free *Options* kit
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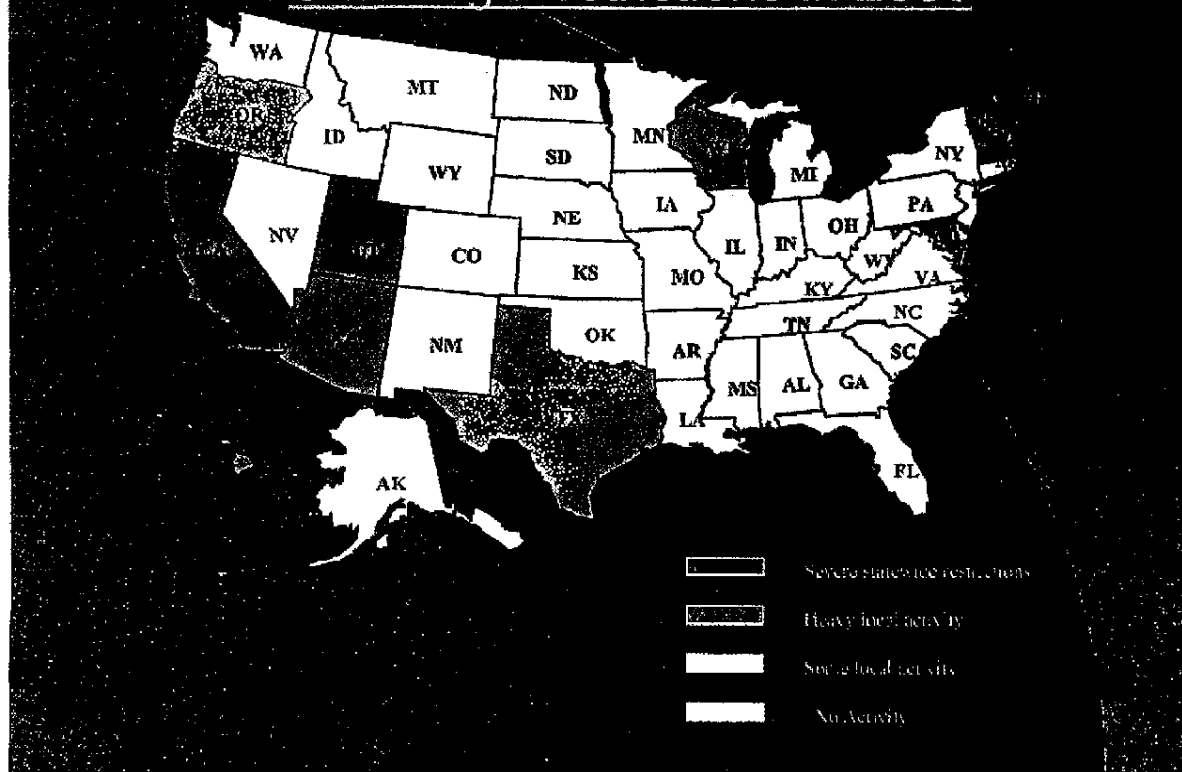
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Smoking Restrictions in 1990



Smoking Restrictions in 2000



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Behind the Bar

By David T. Kratt



Don't Let This Business Nickel and Dime You to Death

A quarter of an ounce is big enough to make a huge impact on your profits. Pour a 1-ounce jigger of water equally into four plastic glasses. Use plastic instead of glass so you're not deceived by the illusion caused by the thick glass-filler in your glassware. You'll see that a quarter-ounce barely covers the bottom of the glass. You might think that over-pouring this miniscule amount would have minimal impact on profits. Think again. Take a look at the chart below.

Over-pouring by a quarter of an ounce increases liquor costs by \$25,000 and the liquor cost-of-sale percentage by 6 percent. Over-pouring only a quarter of an ounce means bartenders actually over-poured by 25 percent (quarter-ounce divided by one ounce). In other words, one out of every fifth liquor bottle, or \$25,000 in profits, is as good as poured down the drain. Also, note that this \$25,000 does not include profits that should be generated from this fifth bottle.

Whether purposely giving customers an extra 'bump' or over-pouring because of carelessness, it is easy to forget how a small amount can profoundly impact profits. Here's what you can do to keep liquor costs in line:

Free-pouring Bars:

Counting while pouring (1-2-3-4) is the most accurate free-pour way to dispense liquor. But as quickly as you can say "five," you've over-poured a quarter-ounce. So it is important to monitor your count. Always keep a jigger within reach and use it regularly.

Liquor Dispenser Bars:

Periodically monitor the accuracy of these tools, as they may become inaccurate over time and with heavy use.

Impact of Over-Pouring

	Portions in Ounces	Annual Liquor Sales	Annual Liquor Costs	Liquor Cost of Sales %
Over-pouring a 1/4 ounce	1 1/4	\$400,000	\$125,000	31%
Pouring the specified amount	1	\$400,000	\$100,000	25%
Effects of over-pouring	1/4 (25%)	NA	\$ 25,000	6%

Call (888) 966-2727 or visit www.bar-restaurant.com and mention "Behind the Bar" for a 40% discount on publications David Kratt has contributed to.

ILBA Legislative Report

The Illinois Licensed Beverage Association has had a successful year in the Illinois General Assembly. The following summarizes our efforts:

- **Felony DUI law.** A bill was introduced to make it a felony to operate a motor vehicle on Illinois roadways if the person's BAC is .16 or greater. The ILBA met with the sponsor of the legislation and the sponsor held the bill.
- **Mandatory field sobriety tests.** A number of bills were introduced to impose a drivers license suspension on persons that refuse to perform field sobriety tests. The ILBA opposed these legislative initiatives because the tests are subjective in nature. None of the bills passed.
- **Liquor Control Act.** A variety of bills were introduced to make changes to the Liquor Control Act. All were defeated with the exception of one bill on which a compromise was agreed to. This bill raises the maximum fine a unit of local government can assess on a licensee for multiple violations of the Act.
- **Mandatory server/seller training.** The ILBA again defeated attempts to require servers/sellers of beverage alcohol to complete a BASSET approved training course. The ILBA supports BASSET training, but opposes mandatory training.
- **Mandatory interlock ignition device for persons convicted of DUI.** The ILBA opposed this legislation unless expedited driving relief would be granted to persons required to have such a system on their primary vehicle. At the suggestion of the ILBA, a working committee was formed to further study the issue over the summer.
- **Pupilometers.** Legislation was introduced to permit pupilometers to be used to determine if a person is under the influence of alcohol, drugs or is fatigued to the point of impairing driving ability. Pupilometers have not undergone research and testing by NHTSA to provide a comfort level of reliability. The ILBA agreed to a bill that provides funding for an 18-month pilot program for the Illinois State Police to purchase 15 units to be used (testing for fatigue is only for commercial truck drivers). Drivers are not required to submit to the testing, but may do so voluntarily.
- **Charitable Gaming Act.** A bill was introduced to reduce the bookkeeping of fraternal club personnel, but the bill would have required the clubs to pay tax on all pull tabs and tickets received from a distributor—regardless of whether the club sold all chances for each game. The profit generated from these games would have been quickly eliminated by this component of the law. Certainly, the concept of switching the bookkeeping function to the distributors is attractive for our fraternal members. The bill failed twice in the House.
- **Repeal of the Wine and Spirits Industry Fair Dealing Act.** The ILBA took the lead this session on increasing awareness of the true impact of this Act in the legislature and the media. The bottom line is this Act has not served any useful purpose, aside from increasing profits for suppliers and distributors at the expense of retailers and consumers. Because the law is under a Court challenge, the legislature declined to allow a vote on repealing the law. However, our efforts have created a steady tide of momentum for repeal of this law. Should a vote have been allowed, it is very likely this law would have been repealed. Please read the Executive Director letter on page 2 of this magazine.

The Police are at the Door— *Should I let them in?*

By Julie Cox

Question:

Must I allow the police and/or the local liquor commissioner to enter my premises when they demand entry?

Hypothetical Situation:

It's 12:35 PM and you have closed your doors for the night. All of your patrons have left the premises for the evening. The only people left inside are you, your business partner, a few band members loading their equipment, and your employees. Suddenly you hear a knock at the front entrance. You open the door just a crack and politely ask the police officer, "Can I help you officer?" The officer replies, "You're going to have to let me in. You're in violation of local ordinance 24(2), which requires this establishment to close its doors by midnight. I hear people making noise in there, so I'm going to have to come in and investigate."



Answer:

State law gives local commissioners the power to enter, or to authorize any law enforcing officer to enter, any premises licensed under the Illinois Liquor Control Act at any time to examine the premises to determine whether any of the provisions of the Act or local ordinance have been or are being violated. Check local ordinances to see if they contain a "right of entry" provision.

Simply put, if the local commissioner is with the police officer or has authorized the officer to demand entry, you have to let them in. Ask the officer for validation of what law, rule or regulation they believe you may be in violation of before permitting access. You may be able to deflect their efforts altogether, or at the very least, delay their entry.

If the officer presents a search warrant, read it carefully and make sure a judge has signed it. Note any restrictions on the warrant and politely remind the officers of these restrictions if they attempt to go beyond the scope of the warrant. If the officer does not have a valid warrant, or does not state he needs to enter the premises due to authorization granted by the local liquor commissioner, do not let him in. Politely inform the officer that, without a valid warrant, he cannot enter the premises as it would constitute a violation of your Fourth Amendment right, as guaranteed by the US Constitution, against unlawful search and seizure.

If the officer states he is there on authorization by the local liquor commissioner, it is best to let him in. If you ask for proof of authorization, you may get what you ask for when you find an aggravated Mayor on your doorstep in 15 minutes. Additionally, if you deny entry and he is acting on authorization from the local liquor commissioner, you could be cited for violating the Act. If you are charged with a violation as a result of the officer's visit, carefully check the police report. The officer must state in the report that he contacted the local commissioner before attempting to enter the premises.

Editor's Note: Julie Cox is an associate attorney with Sorling, Northrup, Hanna, Cullen & Cochran, Ltd. This is the law firm that serves as legal counsel to the ILBA.



STATE OF ILLINOIS LIQUOR CONTROL COMMISSION

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COMMISSIONER

Summer 2000

Dear Association Members:

Since Governor George Ryan appointed me Executive Director of the Illinois Liquor Control Commission, I committed to operate the Commission more openly and improve the services necessary for you to be successful and for us to do our job, which is to ensure all entities regulated by the Illinois Liquor Control Act of 1934 comply with the law.

In an effort to improve the Commission's services, we will be revising the Illinois Liquor Control Act with recent additions. I invite you to contact our office to receive free copies of these publications. Furthermore, we also plan on enhancing the Commissions' communication efforts with the industry by revising the Trade Practice Policies (see our website at www.state.il.us/lcc) and establishing an Advisory Committee consisting of representatives from each of the three-tiers that will share their views to improve the industry.

Recently, we have received requests to clarify issues regarding two areas of the statute - gambling and Dram Shop limits. First, the gambling law states that any person convicted of a gambling offense as described in ILCS section 28-1 (a) (3) through (a) (11) is ineligible to hold a state or local liquor license. Secondly, Dram Shop limits are usually set by local ordinance. The only instance the Commission monitors the limits is during a special event or special use license; although, even during this time we check with the local ordinance.

Last year, the Commission conducted over 20,000 liquor inspections. We felt it was important to share with you the 1999 top liquor violations that were reported 200 times or more. I encourage you to review this list on the next page and educate your staff, so you can operate a more efficient business.

In closing, working this past year with ILBA President Dennis Cooper and Executive Director Steve Riedl has been enjoyable. During this upcoming year, I look forward to working with them to address the concerns of the members of the Illinois Licensed Beverage Association.

Sincerely,


Sam Panayotovich
Executive Director

JAMES R. THOMPSON CENTER, 100 W. RANDOLPH STREET, SUITE 5-300, CHICAGO, ILLINOIS 60601
(312) 814-3930 (312) 814-2241 (FAX) (312) 814-1844 (TDD) WEBSITE <http://www.state.il.us/lcc>

1999 Top Liquor Violations

During 1999, Illinois Liquor Control Commission liquor agents conducted over 20,000 liquor inspections throughout the state. Listed below in alphabetical order are the liquor violations that were reported 200 times or more during these inspections. The Commission encourages you to become familiar with this list and share it with your staff, so you can avoid making these same mistakes in your establishment.

- ☒ Contaminated liquor bottles on premises.
- ☒ COAD machine without DOR stamp.
- ☒ Federal Occupational Tax Stamp not available.
- ☒ Illinois Business Tax certificate not available.
- ☒ Liquor purchased at retail.
- ☒ 90 days of invoices or waiver not available.
- ☒ Pregnancy Warning sign not displayed.
- ☒ Printed names not consistent.
- ☒ State license not displayed.
- ☒ Tap cleaning record not maintained.
- ☒ Taps not cleaned weekly.
- ☒ Unsanitary taps.

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THE PROBLEMS:

- Declining customer base, newer customers harder to attract, younger customers do not utilize your services enough
- Advertising costs have skyrocketed, traditional forms of advertising reach smaller markets, promotions targeted at new customers are more expensive
- Target market is harder to locate and identify, newer target market is unaware of your services
- More competition for entertainment time and money, legislative actions adversely affect your business

THE SOLUTION PACKAGE:

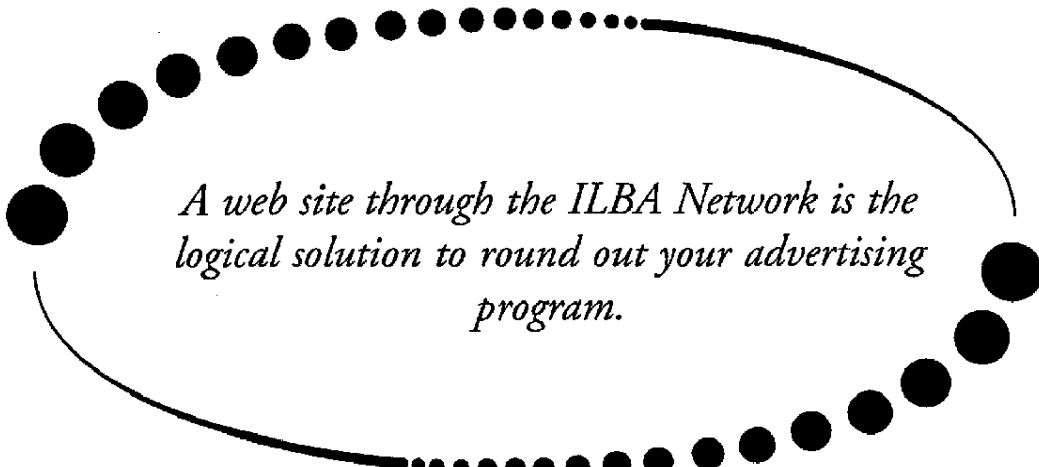
No single solution will effectively address all these issues and problems your business faces. The optimum approach is a complete advertising and promotion package.

In-house promotions target your existing customer base. Your existing customer base will decline over time. For this reason, we must continually replenish our customer base with new customers to remain profitable. With continuously rising advertising costs and declining effectiveness of traditional forms of advertising, we must find a cost-effective way to reach out to our potential customer base.

A web site through the ILBA Network is the logical solution to round out your advertising program. There are approximately 150 million Internet users in Canada and the USA alone. The number of potential customers in your geographic area (or people planning to visit your area for business or pleasure) is enormous. With so many people spending a great deal of time on the Internet— shouldn't your business be marketing on this medium?

The ILBA Network gives you the opportunity to reach millions of potential customers 24-hours-a-day, 7-days-a-week! For as little as a \$100 set-up fee and \$39.95 per month (which many times is less than a standard Yellow Pages ad), you can obtain a custom-designed 3-page web site. This includes many features such as your own personal web board area, an e-mail account, a list server, and a banner link from the ILBA web site.

Growth on the Internet has been tremendous. Many people use the Internet as their first source of information. Don't let the growth of technology leave your business in the dust (remember when they said television was a passing fad). Let the ILBA web site network work for you. Draw new customers while retaining your existing customer base. To take advantage of this great opportunity, call the ILBA toll-free at 1-800-336-4752 or visit our web site at www.ilba.net.



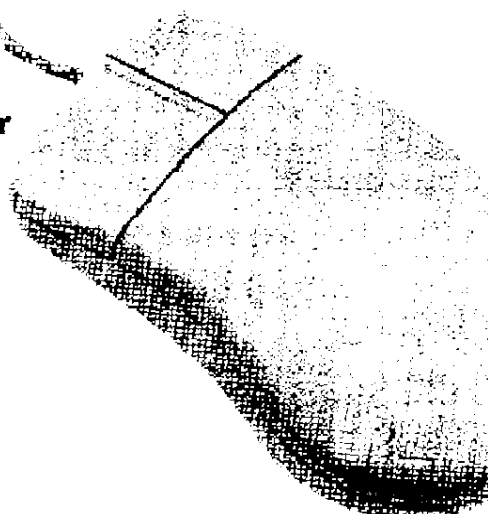
A web site through the ILBA Network is the logical solution to round out your advertising program.

Join the ILBA Network

Use the internet super highway to drive customers to your door. Your ILBA membership gives you access to a custom-designed website package through Advertinet, Inc. With packages ranging from \$5.00-\$54.95 per month, the website will make it easy for you to post menu changes, entertainment schedules, maps, bookings or souvenir products for sale.



Let the ILBA website work for you.
Even if you have an existing website
utilize a banner ad link from
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Taverns & History

Provided by the National Licensed Beverage Association (NLBA)

What is a tavern?

The American Tavern is a direct descendant of the British Pub (short for Public House). The name itself traces back to the ancient Latin term "taberna". The Greek "taverna" shares the same language heritage. Although styles vary from place to place, most taverns sell food and beverage alcohol for on-premise consumption.

In colonial America, especially in New England, taverns formed the center of community social life. Many had sleeping rooms for visitors, and therefore were great places to learn of news from travelers. More than 250 places with "tavern" in their name are listed among the most historic places in the USA, according to the National Register of Historic Places.

Interesting Bits of Tavern History

- City Tavern in Philadelphia (built in 1773) was the political, social and business center of the United States. Jefferson, Adams, Franklin and Paul Revere all dined here. The Declaration of Independence and the US Constitution were inspired over food and spirits in City Tavern.
- During the Revolutionary War, the Catamount Tavern (also known as Fay's House or the Green Mountain Tavern) in Bennington, Vermont was the meeting place of Ethan Allen and the Green Mountain Boys. It was here that they planned raids on British positions in nearby New York— including Fort Ticonderoga.
- Gadsby's Tavern in Alexandria, Virginia was George Washington's neighborhood tavern.
- President Martin Van Buren worked often in the tavern his father owned near Albany, New York.
- There is evidence that President and Mrs. Lincoln were living in a room at the Globe Tavern in Springfield, Illinois when their first child, Robert Todd, was born in 1843.

WWW.ILBA.NET

Visit the new & improved Illinois Licensed Beverage Association web site. Liquor retailers are provided immediate access to the latest issues impacting our industry. Additionally, the website has up-to-date information on all discounted products and services available to ILBA members.

ILBA Cash Raffle Winners

\$25,000: John Bierman of McHenry
\$10,000: Richard Dobratz of Rockford
\$ 5,000: Steve Smith/Ken McDonald of Marseilles

\$1,000 Winners: Liz Martyn of Oglesby, Larry Funk of Mascoutah, Jim Watkins of Joliet, Gerard Lahres of Hoffman, The Motyka Family of McHenry, Lonzo & Batson of Wood River, Marilyn Carroll of Alton, Ron & Cathy Kaestner of Waterloo, Debbie Platt of Chicago, Bowl Mor in Streator.

\$ 500 Winners: Jim/Joanne/Debbie/Carrie/Mary & Nancy of Peru, Sheri Gigi of Bourbonnais, Cynthia Christian of Carlyle, Larry & Ron of Joliet, Janice & Geno Darif of Minooka, Jeff Yocum of Effingham, Tim Solon of Streator, Len Tardio of Rockford, Gina Hug of Nashville, Mary Wallace of Chicago, Gene/Chuck & Craig of Granite City, Jeff Ostheim of Shorewood, Curt Hazelhorst & Bob Donnewald of Centralia, Kevin Ausmus of Springfield, Norman Stoll of Millstadt, Ken Revermann of Breese, Janice Kyrouac of Bradley, Rose Naylur of Chicago, Joe Gbur of Darien, Tony & Joe's Lounge in Madison.

Additionally, there were 50 people that won \$100!

Thank you to all who participated. Callers wanting to know when our next cash raffle will take place have besieged the ILBA Office. Tickets for the next cash raffle will be available on September 10, 2000. Ticket sales will conclude on November 15, 2000. The drawing will be conducted on December 1, 2000—*just in time for Christmas shopping!* The rules will be the same: Only 8,000 tickets will be sold. Tickets are \$20 each or 6 for \$100. The Accounting Firm of Kerber, Eck and Braekel will conduct the drawing at noon at the ILBA State Office located at 1127 S. Second Street in Springfield.



Prizes will be awarded as follows:

One \$25,000
One \$10,000
One \$5,000
Ten \$1,000
Twenty \$500
Fifty \$100

To order a ticket(s), call the ILBA toll-free at 1-800-336-4752. The ILBA reserves the right to reduce the number of prizes in the event less than 6,800 tickets are sold.

MEMBERSHIP APPLICATION

Name _____

Business Name _____

Address _____

City _____ State _____ ZIP _____

Business Phone () _____

Home Phone () _____

Signature _____

Date _____

One year National and State Association dues: \$110

Initiation Fee: **\$ 20**

Total:	<u>\$130</u>
---------------	--------------

- *Optional contribution to Political Action Committee (\$100 suggested).*

 MASTER CARD

☐ VISA

Account # _____ **Expiration Date** _____

ENCLOSED: \$

Please make checks payable to the ILBA and return to:

ILBA

**1127 S. Second Street
Springfield, IL 62704**

Thank You!

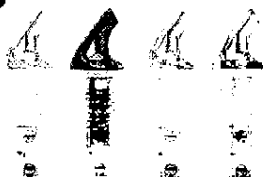
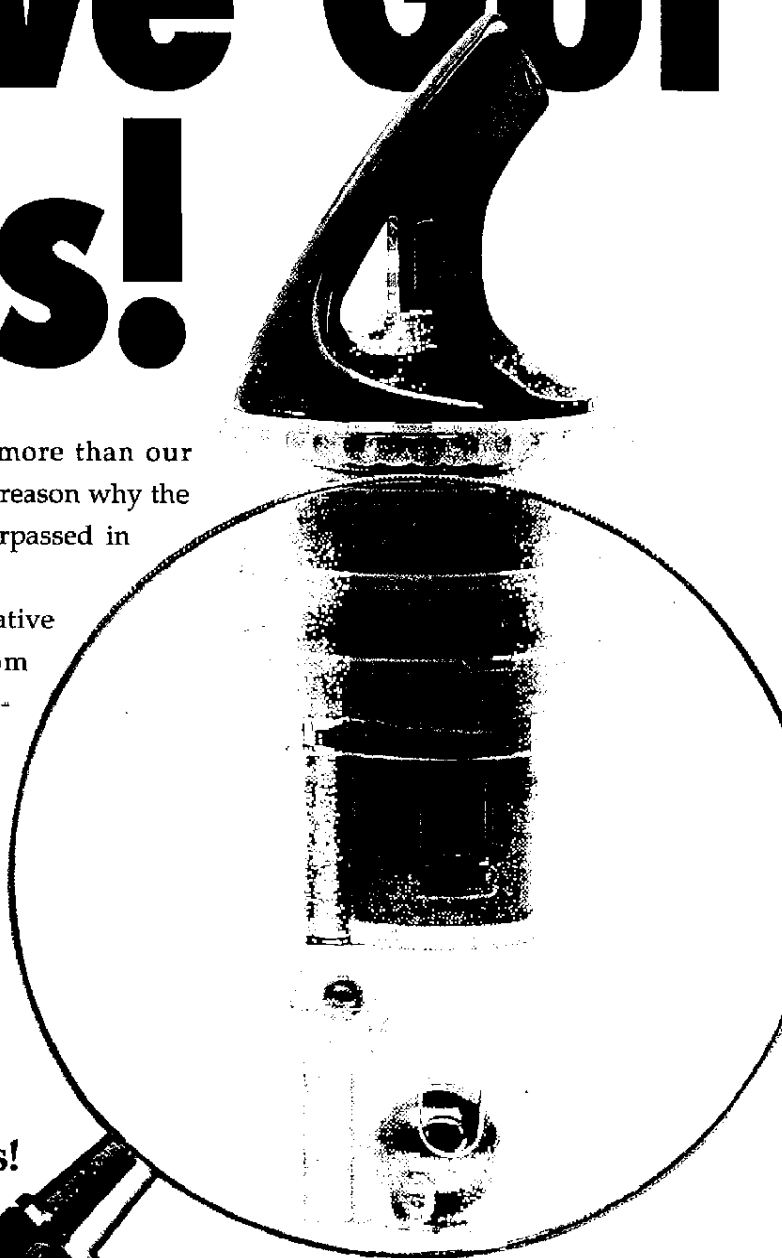
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